

#### Improving Patient Safety and Supply Chain Efficiency

# Healthcare supplier implements Global Location Numbers in record time to stay in the forefront of GS1 Standards adoption.







#### **CHALLENGE**

STERIS decided to adopt GS1 Standards by starting with the implementation of Global Location Numbers (GLNs).

#### **SOLUTION**

STERIS created a cross-functional team led by a project manager to focus on GLN implementation. They used tools and educational opportunities from GS1 Healthcare US for best practices and support.

## **BENEFITS**

GS1 Standards will help STERIS to:

- Reduce costs by getting the right products to the right locations at the right times, eliminating potential re-works and saving associated transportation and labor costs.
- Improve cash flow by facilitating orderto-invoice accuracy, reducing errors and speeding cash flow.
- Increase productivity by getting STERIS representatives the information they need to make quicker and better decisions. With improved order-to-invoice accuracy, they can focus on other business priorities.
- Enhance customer satisfaction by gaining greater visibility of products moving throughout its supply chain. STERIS can efficiently respond to Customers' requests and speed products to destinations.
- Improve patient safety by supporting its Customers' patient safety initiatives to get the right products in the right locations at the right times for proper patient treatment.

# STERIS Corporation Right Products to the Right Places at the Right Times

At STERIS, being in the forefront seems to come naturally. As a global leader in infection prevention, contamination control and surgical technologies, STERIS offers a long list of first-to-market products and service innovations. The company has one of the broadest portfolios in the industry, serving thousands of healthcare providers in more than 60 countries.

STERIS maintains its position by taking a disciplined and innovative approach to everything it does. Once they set a goal, the company springs into action to organize and achieve the task at hand – on schedule and on target the first time.

So when it came to implementing GS1 Global Location Numbers (GLNs) for its global sites, it was no surprise that STERIS beat the deadline to declare its GLN readiness.

Like STERIS, many healthcare organizations in the U.S. have announced their support of GS1 Standards to improve patient safety and gain supply chain efficiencies. Yet these benefits cannot be fully capitalized upon until wide-scale adoption is achieved by supply chain partners throughout the industry.

To accelerate adoption and implementation, two "sunrise" dates were established by the U.S. healthcare industry. The 2010 GLN Sunrise called for the adoption of GLNs in lieu of custom account/location numbers to standardize healthcare location information by December 31, 2010.

The 2012 GTIN Sunrise calls for the adoption of GS1 Global Trade Item Numbers (GTINs) in lieu of custom product identification numbers to standardize healthcare product information by December 31, 2012. A GTIN® is a data structure encoded in a barcode to uniquely identify a product. The GTIN Sunrise also calls for companies to use the GS1 Global Data Synchronization Network™ (GDSN®) to store and communicate the product attributes of each GTIN, giving users the ability to work with the same, reliable information.

"It's exciting to know that with growing industry acceptance [of GS1 Standards], we can optimize the supply chain for our Customers and ensure even greater patient safety."

 Tim Chapman, Senior Vice President and Group President of Healthcare Group STERIS Corporation





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– Draga Matic, Project Manager of GLN Team STERIS Corporation

GLNs and GTINs help get the right products to the right locations at the right times. They help ensure the accurate identification of products and locations throughout the healthcare supply chain for increased efficiencies and improved patient safety.

STERIS started its adoption of GS1 Standards with the implementation of GLNs. Tim Chapman, senior vice president and group president of the Healthcare Group, assumed the important role of the project's executive sponsor.

"Using GS1 Standards is a very important transformation for our industry," says Chapman. "We're doing our part to aggressively implement these changes. It's exciting to know that with growing industry acceptance, we can optimize the supply chain for our Customers and ensure even greater patient safety."

Soon after, Project Manager Draga Matic was selected to lead a cross-functional team. With the GLN readiness goal in mind, Matic took critical, initial steps to kick-start the project.

# **Involving the Right People**

To lead the implementation of GS1 Standards, Matic possesses the perfect combination of strong project management skills and knowledge of the STERIS business and its Customers. "The bulk of my experience has been working directly with Customers. In the beginning, I didn't know a lot about GLNs, yet I could appreciate how taking the first step to implement GLNs, and then GTINs, would help us better serve our Customers," explains Matic. "Our global Customers were actually starting to ask us for GTINs. It was never a matter of 'if', but 'how' we would move forward"

Recruiting all the right people for the team was the first step. Matic considered all parts of the business that would need to contribute. "I knew we would be working closely with our group purchasing organizations (GPOs), so we included representatives from our contract administration group and the national account directors who are the organizations' primary contacts."

The GLN team included individuals from IT, marketing, regulatory, finance, customer service, supply chain, manufacturing, research and development, strategic improvement, and the international business units. Matic advises, "Having these team members at the table really helped us make quicker and better decisions. We didn't necessarily involve everyone in every meeting; however, we intentionally 'overcommunicated' to keep everyone on the same page at any given point in time."

Getting involved with the GLN implementation also prepared team members for the upcoming GTIN implementation – an added benefit of engaging all the needed roles from the beginning.

# **Asking the Right Questions**

Learning about GLNs and the needed requirements for implementation was the next order of business. To do this, Matic used many of the available tools and educational opportunities from GS1 Healthcare US. "The 'Healthcare Supplier GLN Tool Kit' provided us with a good foundation of information. I would also highly recommend the monthly GLN and GTIN webinars," says Matic.







"They [GS1 Healthcare US] were always ready and willing to help, pulling in other resources when needed for both GLN and GTIN questions."

– Draga Matic, Project Manager of GLN Team STERIS Corporation

STERIS also participated in the GLN Registry for Healthcare® User Group. "We found that the ability to share what we learned and get advice from others was invaluable. As a group, we recommend best practices for the industry – combining our collective efforts to help everyone down the standards path."

Matic recommends another time-saving resource; the implementation plan developed by the GS1 Healthcare US Location Identification (GLN) Workgroup – the "2010 GLN Sunrise Explained: A Collaborative Industry Implementation Plan for the U.S. Healthcare Industry." It outlines the recommended five phases of GLN implementation and requirements for all trading partners – providers, suppliers and GPOs.

Using the plan as a guide, Matic put together a detailed GLN project plan. "We kicked off the GLN project in mid-2009 and targeted June 2010 as our completion date," says Matic. "The plan clearly defined the major milestones, actions and timeframes to get us there."

And as the team faced certain situations, Matic called on GS1 Healthcare US for assistance. "They were always ready and willing to help, pulling in other resources when needed for both GLN and GTIN questions," explains Matic. "For example, when we received questions from our global Customers, they contacted GS1 headquarters experts abroad to help us out and quickly got us answers."

# **Getting the Right Results**

Impact	Anticipated Results
Reduced costs	GLNs and GTINs will help STERIS get the right products to the right locations at the right times. This means eliminating potential re-works, saving associated transportation and labor costs.
Improved cash flow	GLNs and GTINs will help STERIS gain greater efficiencies in its supply chain. They facilitate order-to-invoice accuracy, reducing errors and speeding cash flow.
Increased productivity	GLNs and GTINs will give STERIS representatives the information they need to make quicker and better decisions. With improved order-to-invoice accuracy, they can focus on other business priorities.
Greater customer satisfaction	GLNs and GTINs will provide STERIS with increased visibility into its business processes for more efficient product traceability throughout the supply chain. By knowing exactly where products are, where they are going, and where they have been, STERIS can efficiently respond to Customers' requests and speed products to their destinations.
Improved patient safety	GLNs and GTINs will help STERIS support its Customers' patient safety initiatives to get the right products in the right locations at the right times for proper patient treatment.

By implementing GLNs and GTINs, STERIS understands the potential impact for its business and Customers.

#### **Taking the Right Steps**

When writing the STERIS plan, Matic wanted to clearly understand and communicate the actions STERIS would take and the actions to be expected from Customers. "The implementation plan really helped us understand what was expected by all parties," explains Matic. "It lists best practices with specific recommendations about which electronic data interchange (EDI) transactions to implement first, second and so on."

The STERIS team assigned 77 GLNs and listed the STERIS entity in the GLN Registry for Healthcare, an electronic directory that provides subscribers with a comprehensive list of healthcare facilities in the U.S., the corresponding GLNs, and the associated GLN information validated and maintained by the provider/hospital. The GLN Registry was created by the healthcare industry to facilitate accurate, reliable location information across supply chain partners.

"We enumerated down to the *Order-from* and *Pay-to/Remit-to* locations with GLNs," clarifies Matic. "We have updated all of our customer-facing documents with the appropriate GLNs such as quotes, purchase order acknowledgements, pack slips and invoices. On a quote, we list the STERIS entity GLN; however, on an invoice we list both the entity and *Remit-to* GLNs."

While STERIS sells directly to hospitals and healthcare facilities, the company also has a distributor channel in the U.S. and dealers in its international markets. STERIS

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worked closely with its GPOs – Novation LLC and the Premier healthcare alliance (Premier) – to include all of their GLN requirements. STERIS provides reports to its GPOs for sales tracking purposes. Now, with GLNs, the company uses its STERIS entity GLN along with Customers' GLNs. Another big advantage is using GLNs with EDI.

# **Top GLN Resources**

STERIS used multiple resources to learn about GLNs and how to implement them. Click on the links below for top resources or visit www.GS1US.org/healthcare.

- Healthcare Supplier GLN Quick Start Guide: Start here first to get a summary of steps for GLN implementation.
- Healthcare Supplier GLN Tool Kit: Go here next for more in-depth information and get additional quick links to other resources.
- GS1 Healthcare US Webinars: Attend online sessions to learn from GS1 Healthcare US and industry experts.
- 2010 GLN Sunrise Explained: A Collaborative Industry Implementation Plan for U.S. Healthcare: Use this phased implementation roadmap to guide your project plan development.
- Industry Use Cases: Learn how other companies have benefited from implementing GLNs.
- GS1 Healthcare US Location Identification (GLN) Workgroup: Take the lead by participating with other members to learn and develop best practices.

Through EDI, STERIS is receiving purchase orders with Customers' GLNs and sending back confirmations listing the Customers' and STERIS GLNs. Matic explains, "It's all about getting the product to the right location. Having GLNs simplifies business conduct for everyone."

With other suppliers and its Customers, STERIS participated in two major pilot programs with its GPO, Premier healthcare alliance, to document findings and lessons learned. "We got involved in pilots, working closely on reconciling GLNs with our Customers to ensure we were all on the same page," says Matic.

"We updated our systems with the correct Customer location information and associated GLNs. This resulted in very positive interactions with our Customers."

Once the reconciliation process was complete, STERIS tested business transactions with Customers to ensure its EDI systems were accepting the GLNs and updated information. "We learned to rely on the GLN Registry – pulling reports that listed our Customers' GLNs," explains Matic. "The GLN Registry is also set up to show a Customer's hierarchy. So it lists the main location – the parent –and all the 'children' locations underneath. Then, under a 'child' you may see an offshoot like a clinic. This kind of Customer intelligence is very useful for us."



Distinctive STERIS innovation makes a difference in operating rooms around the world.



# **Doing the Right Things**

STERIS was GLN ready in June 2010, officially declaring its readiness a few months later. As Matic reflects on their success, here are her top pieces of advice:

- 1 Secure executive support. "Having executive support ensured we had the needed resources to get it done. Our leadership was also important when getting the word out about the project."
- 2 Communicate frequently. "All team members understood their roles and the need to provide updates on a regular basis. We also included other stakeholders who had a need to know about the changes."
- Tightly manage the project.

  "If a milestone was in jeopardy,
  we immediately figured out why.
  Whether it was a resource or timing
  issue or something else, resolving any
  problem immediately was essential
  to being on time."
- 4 Get involved in pilots. "This helped us realize what our customers were looking for and how to work through the issues we didn't necessarily anticipate going into the project."
- 5 Test, fix and test again. "Don't assume that everything is ready to go until you have tested the process and adjusted any issues. It's simply a good practice."



STERIS technologies and services support best sterilization and disinfection practices in healthcare facilities.

As Matic organizes for the company's GTIN implementation, the executive sponsor considers the importance of GS1 Standards and the STERIS supply chain. "With GLNs and GTINs, our Customers and partners will notice changes to STERIS systems, product labels, shipping documents, invoices – basically making it even easier to conduct business with us," says Chapman. "Most important, for our Customers and their patients, it means getting the right products to the right places, at the right times."

For STERIS, it's clear that implementing GS1 Standards is a necessity. It's a natural step for any leader in the healthcare industry to take.

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#### **CONTACT US**

GS1 Healthcare US provides expertise, tools and resources to help companies implement GS1 Standards to improve patient safety and supply chain efficiency. To learn more, contact GS1 Healthcare US at GS1HealthcareUS@GS1US.org or visit our web site at: <a href="www.GS1US.org/healthcare">www.GS1US.org/healthcare</a>

#### **ABOUT STERIS CORPORATION**

STERIS Corporation is a leading provider of infection prevention and surgical products and services, focused primarily on critical healthcare, pharmaceutical and research markets. The Company's approximately 5,000 dedicated employees around the world supply a broad array of equipment, consumables and services solutions that enhance Customer productivity and quality and help make the world a safer place. The Company is listed on the New York Stock Exchange under the symbol STE. <a href="https://www.steris.com">www.steris.com</a>

## **ABOUT GS1 HEALTHCARE US®**

GS1 Healthcare US is an industry group that focuses on driving the adoption and implementation of GS1 Standards in the U.S. healthcare industry to improve patient safety and supply chain efficiency. GS1 Healthcare US brings together members from all segments of the healthcare industry to address the supply chain issues that most impact healthcare in the United States. www.GS1US.org/healthcare

#### **ABOUT GS1 US™**

GS1 US is a not-for-profit organization that brings industry communities together to solve supply-chain problems through the adoption and implementation of GS1 Standards. More than 200,000 businesses in 25 industries rely on GS1 US for trading-partner collaboration and for maximizing the cost effectiveness, speed, visibility, security and sustainability of their business processes. They achieve these benefits through GS1 US solutions based on GS1 global unique numbering and identification systems, barcodes, Electronic Product Code-based RFID, data synchronization, and electronic information exchange. GS1 US also manages the United Nations Standard Products and Services Code® (UNSPSC®). <a href="https://www.GS1US.org">www.GS1US.org</a>



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